

December Website Updates

Accomplishments

November 1, 2006 - Changes to the Hospital Outpatient Prospective Payment System and Calendar Year 2007 Payment Rates

CMS published a rule ([CMS-1506-F](#)) that revises the Medicare hospital outpatient prospective payment system to implement applicable statutory requirements and changes arising from our continuing experience with this system and to implement certain related provisions of the Medicare MMA.

November 1, 2006: MMA Section 302 (b) - Clinical Laboratory Tests

CMS issued a manual issuance (CR 5359) that provides instructions for the second phase of implementation of a laboratory competitive bidding demonstration.

November 2, 2006: MMA Section - Extension of Treatment of Certain Physician Pathology Services Under Medicare

CMS issued a manual issuance (CR 5347) that addresses the payment policy outlined in [Section MMA 732](#). This provision continues direct payment for the technical component of certain pathology services.

November 2, 2006- MMA Section 911 -Increased Flexibility in Medicare Administration

CMS issued a manual issuance (CR 5374) that provides clarification for the Durable Medical Equipment Medicare Administrative Contracts (DME MACs).

November 15, 2006: Medicare Prescription Drug Plan- Open Enrollment

CMS announced the beginning of the open enrollment period for Medicare beneficiaries, who will have six weeks to change or add coverage to their current Medicare health and prescription drug plans. The Medicare annual Open Enrollment Period, will run from November 15 through December 31, 2006.

November 27, 2006: MMA Section 935- Use of Repayment Plans

CMS published a rule, ([CMS-6032-P](#)) that proposes to grant a provider or a supplier an extended repayment schedule under certain terms and conditions. This rule will establish criteria and procedures to apply this requirement and to define the concepts of “hardship” and “extreme hardship.” This is required by [Section 935](#) of the MMA.

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What to Expect

Final Rule: Competitive Acquisition for Certain Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (CMS-1270-F)

This final rule will establish durable medical equipment (DME) competitive bidding. National competitive bidding will provide a program for using market forces to set Medicare payment amounts. This will also create incentives for suppliers to provide quality items and services while at the same time providing Medicare with reasonable prices for payment. This is required by Section 302 of the MMA.

Fourth Quarter of CY 2006

Final Rule: Enhanced DSH Treatment for Certain Hospitals (CMS-2198-F)

This rule will require states to report additional information about their disproportionate share hospital (DSH) programs to their annual report. This is required by Section 1001(d) of the MMA.

Fourth Quarter of CY 2006